



Deferred Compensation Reporting Initial Consideration

**WASHINGTON STATE
Law Enforcement Officers' and Fire Fighters'
Plan 2 Retirement Board**

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Basic Salary - Statutes

- What is included?
 - Salaries or wages (includes overtime)
 - Deferred salaries or wages
- What is not included?
 - Certain lump sum payments
 - Severance pay

Basic Salary – Administrative

- What is included?
 - Payments for services rendered
 - Non-conditional employer contributions
- What is not included?
 - Payments not for services rendered
 - Conditional employer contributions
 - Payments in lieu of non-includable items
 - Social Security
 - Fringe benefits

Deferred Compensation

- Potential conflicts
 - Employer contributions
 - Payments in lieu of
 - Other similar deferred salary plans

Policy Issues

- Matching and non-matching employer contributions
- Deferred compensation in lieu of non-reportable compensation
- 401(a) and 401(k) to basic salary statute

Questions?